



Consequences from Universe Changes in Denmark

The New Viewer Survey in Denmark, Consequences for Campaign Evaluations
November 28, 2016.

Improved Measurement of Online Viewing of TV-Content – regardless of time, place, and platform

The current TV-Meter survey will be improved when the new viewer survey is launched in January 2017. The result will be a more precise survey encompassing both *core TV*, viewing on a TV-set, and *extended TV* being online viewing of broadcast TV-content consumed via digital platforms such as PC, Tablet, and Smartphone.

One (1) TVR will become larger and more effective – growth of approx. +7% in 2017

The universe of the current tv-meter survey will change to ensure that all digital TV viewing will be measured among all users. Today, the TV-meter panel is projected to the universe of tv-households – equal to approx. 93% of all private households in Denmark. A TV-Household is defined as a household having a TV-Set connected to an antenna. This universe will be expanded on January 1st, 2017 to include all persons, who do not have a TV-Set in their household, but who watch TV on other platforms, thus allowing the new viewing survey to cover the full universe of all people.

The parties behind the new viewer survey consider the expanded universe to be an improvement, as it means that there will be more people pr. TVR, Reach percentages, and so forth. As an example, 1 TVR will become greater in the new viewer survey, as each TVR will represent approx. 7% more people on average vs. The current TV-Meter survey, as the universe will increase from 5.176.000 (all persons 3+ or older in TV-Households) to approx. 5.540.000 (all persons 3+ or older in all households). In other words, media agencies and advertisers can purchase an improved product. The table below shows this relationship in four different target groups. Similar factors are available for all target groups used for purchasing of campaigns.

| Target Group | Value Increase pr. TVR |
|---------------------------------|------------------------|
| All 3+ (3 years old or older) | + 6,9% |
| All 12+ (12 years old or older) | + 8,1% |
| Children 3-11 years old | + 1,5% |
| Persons 21-50 years old | + 13,6% |



Consequences for Campaign Evaluations

This section explains the quantitative consequences of the change of universe for two different scenarios:

- 1) Persons in non-TV Households have no digital viewing of broadcast TV
- 2) Persons in non-TV Households view half as much broadcast TV as persons in TV-households

The consequences will be presented in absolute numbers (Exposures & Reach in thousands '000) as well as relative numbers as percentages of the universe (TVR/TRP/GRP & Reach %).

Scenario 1: Persons in non-TV Households have no digital viewing of broadcast TV

The table below illustrates an example for Arla, the largest dairy advertiser in Denmark, for the week commencing September 19, 2016, for all spots regardless of campaign or product on all channels. The first columns on the left show "actuals" - in other words, what has been achieved in this week of 2016. The estimates in the right hand side of the table (for 2017) are provided with the assumption that persons in non-TV-Households are not watching TV at all and that viewing in TV-Households is unchanged from 2016 to 2017.

| Universe | Persons in TV-Households – 2016 | | | | Persons in all Households – 2017 | | | |
|----------|---------------------------------|------------------|------------|-----------------|----------------------------------|------------------|------------|-----------------|
| | Sum of TVR/TRP | Exposures ('000) | 1+ Reach % | 1+ Reach ('000) | Sum of TVR/TRP | Exposures ('000) | 1+ Reach % | 1+ Reach ('000) |
| 3 + | 455 | 23.961 | 58,0 | 3.002 | 424 | 23.961 | 54,1 | 3.002 |
| 12 + | 503 | 23.515 | 62,6 | 2.879 | 466 | 23.515 | 58,0 | 2.879 |
| 3-11 | 71 | 446 | 21,2 | 122 | 70 | 446 | 20,9 | 122 |
| 21-50 | 572 | 11.156 | 63,9 | 1.257 | 504 | 11.156 | 56,4 | 1.257 |

The sum of exposures in '000 and the reach in '000 remains unchanged in the example above, while the sum of TVRs declines due to the increased universe. Similarly, reach in % declines as it is calculated in a larger universe.

Scenario 2: Persons in non-TV Households view half as much broadcast TV as persons in TV-households

The table below illustrates the same example as used in scenario 1 (Arla - all spots regardless of campaign/product in week commencing Sept 19, 2016). The columns to the left show the results in 2016. The figures for 2017 are estimated with the assumption that people in non-tv households watch half as much TV on digital platforms as people in TV-Households do, and that the viewing levels in tv-households are unchanged from 2016 to 2017.



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| Universe | Persons in TV-Households - 2016 | | | | Persons in all Households - 2017 | | | |
|----------|---------------------------------|------------------|------------|-----------------|----------------------------------|------------------|------------|-----------------|
| | Sum of TVR/TRP | Exposures ('000) | 1+ Reach % | 1+ Reach ('000) | Sum of TVR/TRP | Exposures ('000) | 1+ Reach % | 1+ Reach ('000) |
| 3+ | 455 | 23.961 | 58,0 | 3.002 | 440 | 24.837 | 56,1 | 3.110 |
| 12+ | 503 | 23.515 | 62,6 | 2.879 | 485 | 24.449 | 60,3 | 2.993 |
| 3-11 | 71 | 446 | 21,2 | 122 | 71 | 449 | 21,1 | 123 |
| 21-50 | 572 | 11.156 | 63,9 | 1.257 | 538 | 11.909 | 60,2 | 1.341 |

The sum of exposures in '000 and the reach in '000 increase in the example above, while the sum of TVRs and Reach% decline as a consequence of the larger universe. It is worth noting that the decline in %-metrics is less in Scenario 2 compared to Scenario 1, where there was no viewing in non-TV households.

Conclusion

Given the assumption of no (zero) viewing among people in non tv-households, the exposures in '000 and reach in '000 will remain unchanged. In contrast to this, figures based on percentages of the total universe (TVR, TRP, Reach%) will be lower. It has to be kept in mind that each rating point (TVR/TRP) will be worth more, as it will represent more people in 2017.

Furthermore, it is important to grasp that with some viewing among people in non-TV households, then ratings '000, exposures '000 and reach '000 will increase. On the other hand, the consequences for figures calculated as a percentage of the total universe will be that they will decline to a certain degree dependent upon the ratio between the growth of the universe and the viewing among people in non-TV households.

On the Reporting of Key Metrics

The reporting of key metrics from the new Viewer Survey will allow for flexibility when it comes to deciding which universe to use as basis for the calculation of key metrics – just as the user is used to in the current TV-Meter survey. The universe consisting of "All households" will be standard in all systems, however, it will be possible to analyze and report on a universe consisting of only "TV households". Should the user choose the latter, then these figures will be directly comparable with figures from 2016.